



M.O.E. Policy Manual

POLICY/TITLE FINANCIAL ASSISTANCE FOR MUNICIPAL AREA SCHEMES	NO. 06-04-01						
<u>Legislative Authority</u> the Ontario Water Resources Act							
<u>Statement of Principles</u> This policy describes the development and application of Policy 06-01 FINANCIAL ASSISTANCE FOR MUNICIPAL WATER AND SEWAGE SERVICE to municipal area schemes. Reference should be made to that document if greater detail is required. <u>Definition</u> <table border="0" data-bbox="272 926 1430 1434"><tr><td data-bbox="272 926 760 961"><u>Area Schemes</u></td><td data-bbox="760 926 1430 1052">"Area Schemes" refers to a sewage or water works system that provides service to more than one municipality which has jurisdiction over sewage or water service.</td></tr><tr><td data-bbox="272 1136 760 1230">1. <u>Area Schemes Under Grants for Major Works Program</u></td><td data-bbox="760 1136 1430 1230">Area schemes are covered by the provisions for <u>Grants for Major Works</u> described in Policy 06-01, Section 1.</td></tr><tr><td data-bbox="272 1314 760 1377">2. <u>Alternatives for Area Schemes</u></td><td data-bbox="760 1314 1430 1434">The Ministry of the Environment intends that area schemes be designed to follow the alternatives below in descending order of priority:</td></tr></table>		<u>Area Schemes</u>	"Area Schemes" refers to a sewage or water works system that provides service to more than one municipality which has jurisdiction over sewage or water service.	1. <u>Area Schemes Under Grants for Major Works Program</u>	Area schemes are covered by the provisions for <u>Grants for Major Works</u> described in Policy 06-01, Section 1.	2. <u>Alternatives for Area Schemes</u>	The Ministry of the Environment intends that area schemes be designed to follow the alternatives below in descending order of priority:
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1. <u>Area Schemes Under Grants for Major Works Program</u>	Area schemes are covered by the provisions for <u>Grants for Major Works</u> described in Policy 06-01, Section 1.						
2. <u>Alternatives for Area Schemes</u>	The Ministry of the Environment intends that area schemes be designed to follow the alternatives below in descending order of priority:						
<u>Point of Contact</u> Director, Project Engineering Branch							
<u>Effective Date</u> February 16, 1981							

- (a) Municipalities should establish their own joint board of management to be responsible for project management (i.e., planning and construction), loan financing, plant operation, and works ownership wherever feasible. Section 208, para. 5 of the Municipal Act authorizes the formation of joint boards of management.
- (b) The same as (a) above except where municipalities are unable to provide project management, MOE may provide this service. Please refer to Policy 06-02 for details on the provisions of project management.
- (c) Where municipalities are unable to form their own joint board of management, or otherwise reach agreement on an area scheme, MOE may coordinate the area scheme and provide the services listed in 2(a) above. At the request of a municipality or MOE, the Ontario Municipal Improvement Corporation (OMIC) will assist in obtaining loan financing from private sources or provide loan funds if required.

3. Provincial Involvement

Provincial involvement in area schemes may include the following:

3.1 MOE Coordination

MOE may initiate and coordinate area schemes under the provisions of Section 2 above including implementing necessary engineering studies.

3.2 Project Management and Other Assistance

Project management or other assistance that may be required will be determined at the outset of project planning.

March 15, 1981

3.3 Alternate Financing Arrangements

Alternate financing arrangements as in Section 2(d) above will require approval of Management Board.

3.4 Engineering Studies

MOE may provide funds to support engineering studies on potential area schemes.